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NEW YORK-NEW JERSEY INFORMATION OFFICE: New York City, N.Y.

Technical information: (646) 264-3600 • BLSinfoNY@bls.gov • www.bls.gov/regions/new-york-new-jersey

Media contact: (646) 264-3620

Occupational Employment and Wages in Newark — May 2015

Workers in the Newark Metropolitan Division had an average (mean) hourly wage of \$28.04 in May 2015, about 21 percent above the nationwide average of \$23.23, according to the U.S. Bureau of Labor Statistics. Chief Regional Economist Martin Kohli noted that, after testing for statistical significance, wages in the local area were higher than their respective national averages in 21 of the 22 major occupational groups, including management; legal; and life, physical, and social science. No group had an hourly wage significantly lower than its respective national average.

When compared to the nationwide distribution, local employment was more highly concentrated in 12 of the 22 occupational groups, including education, training, and library; business and financial operations; and management. Conversely, 10 groups had employment shares significantly below their national representation, including food preparation and serving related; production; and construction and extraction. (See table A and box note at end of release.)

Table A. Occupational employment and wages by major occupational group, United States and the Newark Metropolitan Division, and measures of statistical significance, May 2015

	Percent of total	al employment	Mean hourly wage		
Major occupational group	United States	Newark	United States	Newark	Percent difference (1)
Total, all occupations	100.0%	100.0%	\$23.23	\$28.04*	21
Management	5.0	6.1*	55.30	72.47*	31
Business and Financial Operations	5.1	6.4*	35.48	39.98*	13
Computer and Mathematical	2.9	3.7*	41.43	46.31*	12
Architecture and Engineering	1.8	1.5*	39.89	43.79*	10
Life, Physical, and Social Science	0.8	1.3*	34.24	43.71*	28
Community and Social Service	1.4	1.6*	22.19	25.22*	14
Legal	0.8	1.1*	49.74	61.93*	25
Education, Training, and Library	6.2	7.7*	25.48	28.30*	11
Arts, Design, Entertainment, Sports, and Media	1.3	1.1*	27.39	28.79*	5
Healthcare Practitioners and Technical	5.8	5.4*	37.40	43.39*	16
Healthcare Support	2.9	3.4*	14.19	14.99*	6
Protective Service	2.4	2.9*	21.45	25.21*	18
Food Preparation and Serving Related	9.1	6.6*	10.98	12.12*	10
Building and Grounds Cleaning and Maintenance	3.2	3.5*	13.02	14.38*	10
Personal Care and Service	3.1	2.5*	12.33	15.10*	22
Sales and Related	10.5	9.7*	18.90	22.14*	17
Office and Administrative Support	15.8	16.4*	17.47	19.26*	10
Farming, Fishing, and Forestry	0.3	0.1*	12.67	14.71*	16

Table A. Occupational employment and wages by major occupational group, United States and the Newark Metropolitan Division, and measures of statistical significance, May 2015 - Continued

	Percent of total	al employment	Mean hourly wage		
Major occupational group	United States	Newark	United States	Newark	Percent difference (1)
Construction and Extraction	4.0	2.8*	22.88	28.99*	27
Installation, Maintenance, and Repair	3.9	3.5*	22.11	25.61*	16
Production	6.6	4.8*	17.41	18.43*	6
Transportation and Material Moving	6.9	7.8*	16.90	17.46	3

⁽¹⁾ A positive percent difference measures how much the mean wage in Newark is above the national mean wage, while a negative difference reflects a lower wage.

One occupational group—management—was chosen to illustrate the diversity of data available for any of the 22 major occupational categories. Newark had 70,470 jobs in management, accounting for 6.1 percent of local area employment, significantly higher than the 5.0-percent share nationally. The average hourly wage for this occupational group locally was \$72.47, significantly above the national wage of \$55.30.

Some of the larger detailed occupations within the management group included general and operations managers (15,160), financial managers (7,670), and computer and information systems managers (5,460). Among the higher-paying jobs were chief executives and natural sciences managers, with mean hourly wages of \$111.70 and \$96.14, respectively. At the lower end of the wage scale were education administrators, preschool and childcare center/program (\$36.26) and property, real estate, and community association managers (\$36.39). (Detailed occupational data for management are presented in table 1; for a complete listing of detailed occupations available go to www.bls.gov/oes/2015/may/oes-35084.htm.)

Location quotients allow us to explore the occupational make-up of a metropolitan area by comparing the composition of jobs in an area relative to the national average. (See <u>table 1</u>.) For example, a location quotient of 2.0 indicates that an occupation accounts for twice the share of employment in the area than it does nationally. In the Newark Metropolitan Division, above-average concentrations of employment were found in many of the occupations within the management group. For instance, natural sciences managers were employed at 4.7 times the national rate in Newark, and marketing managers, at 2.7 times the U.S. average. On the other hand, medical and health services managers had a location quotient of 1.0 in Newark, indicating that this particular occupation's local and national employment shares were similar.

These statistics are from the Occupational Employment Statistics (OES) survey, a federal-state cooperative program between BLS and State Workforce Agencies, in this case, the New Jersey Department of Labor and Workforce Development.

^{*} The percent share of employment or mean hourly wage for this area is significantly different from the national average of all areas at the 90-percent confidence level.

Notes on Occupational Employment Statistics Data

With the issuance of data for May 2015, the OES program has incorporated redefined metropolitan area definitions as designated by the Office of Management and Budget. OES data are available for 394 metropolitan areas, 38 metropolitan divisions, and 167 OES-defined nonmetropolitan areas. A listing of the areas and their definitions can be found at www.bls.gov/oes/current/msa def.htm.

A value that is statistically different from another does not necessarily mean that the difference has economic or practical significance. Statistical significance is concerned with the ability to make confident statements about a universe based on a sample. It is entirely possible that a large difference between two values is not significantly different statistically, while a small difference is, since both the size and heterogeneity of the sample affect the relative error of the data being tested.

Technical Note

The Occupational Employment Statistics (OES) survey is a semiannual mail survey measuring occupational employment and wage rates for wage and salary workers in nonfarm establishments in the United States. The OES program produces employment and wage estimates for over 800 occupations for all industries combined in the nation; the 50 states and the District of Columbia; 432 metropolitan areas and divisions; 167 nonmetropolitan areas; and Guam, Puerto Rico, and the U.S. Virgin Islands. National estimates are also available by industry for NAICS sectors, 3-, 4-, and selected 5- and 6-digit industries, and by ownership across all industries and for schools and hospitals. OES data are available at www.bls.gov/oes/tables.htm.

OES estimates are constructed from a sample of about 1.2 million establishments. Forms are mailed to approximately 200,000 sampled establishments in May and November each year. May 2015 estimates are based on responses from six semiannual panels collected over a 3-year period: May 2015, November 2014, May 2014, November 2013, May 2013, and November 2012. The overall national response rate for the six panels is 73.5 percent based on establishments and 69.6 percent based on weighted sampled employment. The unweighted employment of sampled establishments across all six semiannual panels represents approximately 57.9 percent of total national employment. (Response rates are slightly lower for these estimates due to the federal shutdown in October 2013.) The sample in the Newark Metropolitan Division included 6,721 establishments with a response rate of 72 percent. For more information about OES concepts and methodology, go to www.bls.gov/news.release/ocwage.tn.htm.

The May 2015 OES estimates are based on the 2010 Standard Occupational Classification (SOC) system and the 2012 North American Industry Classification System (NAICS). Information about the 2010 SOC is available on the BLS website at www.bls.gov/soc and information about the 2012 NAICS is available at www.bls.gov/bls/naics.htm.

Metropolitan area definitions

The substate area data published in this release reflect the standards and definitions established by the U.S. Office of Management and Budget.

The **Newark, N.J. Metropolitan Division** includes Essex, Hunterdon, Morris, Somerset, Sussex, and Union Counties in New Jersey.

Additional information

OES data are available on our regional web page at www.bls.gov/regions/new-york-new-jersey. Answers to frequently asked questions about the OES data are available at www.bls.gov/oes/oes_ques.htm. Detailed technical information about the OES survey is available in our Survey Methods and Reliability Statement on the BLS website at www.bls.gov/oes/2015/may/methods statement.pdf.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Employment and wage data from the Occupational Employment Statistics survey, by occupation, Newark Metropolitan Division, May 2015

	Emplo	yment	Mean wages	
Occupation (1)	Level (2)	Location quotient ⁽³⁾	Hourly	Annual ⁽⁴⁾
Management Occupations	70,470	1.2	\$72.47	\$150,740
Chief Executives	210	0.1	111.70	232,340
General and Operations Managers	15,160	0.8	81.78	170,110
Legislators	870	1.9	(5)	(5)
Advertising and Promotions Managers	220	0.9	63.31	131,690
Marketing Managers	4,280	2.7	81.89	170,320
Sales Managers	4,460	1.5	77.43	161,050
Public Relations and Fundraising Managers	790	1.6	76.33	158,760
Administrative Services Managers	2,720	1.2	60.54	125,930
Computer and Information Systems Managers	5,460	1.9	80.26	166,940
Financial Managers	7,670	1.7	80.51	167,460
Industrial Production Managers	1,730	1.2	62.68	130,370
Purchasing Managers	630	1.0	71.13	147,940
Transportation, Storage, and Distribution Managers	1,490	1.6	65.26	135,730
Compensation and Benefits Managers	190	1.5	78.53	163,350
Human Resources Managers	1,510	1.5	78.65	163,590
Training and Development Managers	520	2.0	68.52	142,530
Construction Managers	1,580	0.8	70.32	146,260
Education Administrators, Preschool and Childcare Center/Program	490	1.3	36.26	75,420
Education Administrators, Elementary and Secondary School	2,530	1.3	(5)	126,110
Education Administrators, Postsecondary	740	0.7	72.09	149,960
Education Administrators, All Other	190	0.7	39.65	82,480
Architectural and Engineering Managers	1,440	1.0	74.38	154,710
Food Service Managers	710	0.4	36.40	75,710
Lodging Managers	140	0.5	(5)	(5)
Medical and Health Services Managers	2,660	1.0	57.17	118,910
Natural Sciences Managers	2,080	4.7	96.14	199,960
Postmasters and Mail Superintendents	140	1.1	36.71	76,370
Property, Real Estate, and Community Association Managers	1,290	0.9	36.39	75,700
Social and Community Service Managers	1,180	1.2	38.38	79,840
Emergency Management Directors	130	1.6	41.90	87,150
Managers, All Other	7,230	2.3	66.03	137,340

⁽¹⁾ For a complete listing of all detailed occupations in the Newark, NJ-PA Metropolitan Division, see www.bls.gov/oes/current/oes_35084.htm.

⁽²⁾ Estimates for detailed occupations do not sum to the totals because the totals include occupations not shown separately. Estimates do not include self-employed workers.

⁽³⁾ The location quotient is the ratio of the area concentration of occupational employment to the national average concentration. A location quotient greater than one indicates the occupation has a higher share of employment than average, and a location quotient less than one indicates the occupation is less prevalent in the area than average.

⁽⁴⁾ Annual wages have been calculated by multiplying the hourly mean wage by a "year-round, full-time" hours figure of 2,080 hours; for those occupations where there is not an hourly mean wage published, the annual wage has been directly calculated from the reported survey data.

⁽⁵⁾ Estimate not released.